

State of Arizona
Senate
Forty-seventh Legislature
First Regular Session
2005

SENATE CONCURRENT MEMORIAL 1003

A CONCURRENT MEMORIAL

**URGING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION TO ACHIEVE
SOCIAL SECURITY REFORM.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 To the Congress of the United States of America:

2 Your memorialist respectfully represents:

3 Whereas, the United States Senate unanimously passed Senate Amendment
4 152 to Senate Concurrent Resolution 18 on March 15, 2005; and

5 Whereas, Social Security is the foundation of retirement income for
6 most Americans; and

7 Whereas, preserving and strengthening the long-term viability of Social
8 Security is a vital national priority and is essential for the retirement
9 security of today's working Americans, current and future retirees and their
10 families; and

11 Whereas, Social Security faces significant fiscal and demographic
12 pressures; and

13 Whereas, the nonpartisan Office of the Chief Actuary at the Social
14 Security Administration reports that:

15 1. The number of workers paying taxes to support each Social Security
16 beneficiary has dropped from 16.5 in 1950 to 3.3 in 2002;

17 2. Within a generation there will be only two workers to support each
18 retiree, which will substantially increase the financial burden on American
19 workers;

20 3. Without structural reform, the Social Security system, beginning in
21 2018, will pay out more in benefits than it will collect in taxes;

22 4. Without structural reform, the Social Security trust fund will be
23 exhausted in 2042 and Social Security tax revenue in 2042 will only cover
24 seventy-three per cent of promised benefits, and will decrease to sixty-eight
25 per cent by 2078;

26 5. Without structural reform, future Congresses may have to raise
27 payroll taxes fifty per cent over the next seventy-five years to pay full
28 benefits on time, resulting in payroll tax rates of as much as 16.9 per cent
29 by 2042 and 18.3 per cent by 2078;

30 6. Without structural reform, Social Security's total cash shortfall
31 over the next seventy-five years is estimated to be more than
32 \$25,000,000,000,000 in constant 2004 dollars or \$3,700,000,000,000 measured
33 in present value terms; and

34 7. Absent structural reforms, spending on Social Security will
35 increase from 4.3 per cent of gross domestic product in 2004 to 6.6 per cent
36 in 2078; and

37 Whereas, the Congressional Budget Office, the Government Accountability
38 Office, the Congressional Research Service, the Chairman of the Federal
39 Reserve Board and the President's Commission to Strengthen Social Security
40 have all warned that failure to enact fiscally responsible Social Security
41 reform quickly will result in one or more of the following:

42 1. Higher tax rates.

43 2. Lower Social Security benefit levels.

44 3. Increased federal debt or less spending on other federal programs.

1 Wherefore your memorialist, the Senate of the State of Arizona, the House of
2 Representatives concurring, prays:

3 1. That the President, the Congress and the American people, including
4 seniors, workers, women, minorities and disabled persons, should work
5 together at the earliest opportunity to enact legislation to achieve a
6 solvent and permanently sustainable Social Security system.

7 2. That Social Security reform must:

8 (a) Protect current and near retirees from any changes to Social
9 Security benefits.

10 (b) Reduce the pressure on future taxpayers and on other budgetary
11 priorities.

12 (c) Provide benefit levels that adequately reflect individual
13 contributions to the Social Security system.

14 (d) Preserve and strengthen the safety net for vulnerable populations
15 including the disabled and survivors.

16 3. That the United States Congress should honor section 13301 of the
17 Budget Enforcement Act of 1990.

18 4. That the Secretary of State of the State of Arizona transmit copies
19 of this Memorial to the President of the United States Senate, the Speaker of
20 the United States House of Representatives and each Member of Congress from
21 the State of Arizona.

PASSED BY THE HOUSE APRIL 18, 2005.

PASSED BY THE SENATE MAY 3, 2005.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 3, 2005.

Passed the House April 18, 2005,

by the following vote: 55 Ayes,

3 Nays, 2 Not Voting


Speaker of the House
pro Tempore



Chief Clerk of the House

Passed the Senate March 8, 2005,

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting


President of the Senate


Secretary of the Senate

S.C.M. 1003

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

SENATE CONCURS IN HOUSE AMENDMENTS
AND FINAL PASSAGE

Passed the Senate May 3, 2005,

by the following vote: 25 Ayes,

5 Nays, 0 Not Voting

[Signature]
President of the Senate
[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 3 day of May, 2005,

at 12:26 o'clock P. M.
[Signature]
Secretary of State

S.C.M. 1003